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ATTACHMENT 4.22-B  
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STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State/Territory: ARKANSAS

Requirements for Third Party Liability -  
Payment of Claims

If the provider bills the Medicaid Program, he/she must certify either:

- (1) that he/she has not billed the known third party due to medical support enforcement, or
- (2) that he/she has billed the known third party but has not received payment or denial from the third party within 30 days from the date of service.

Claims submitted for payment with certification that the provider attempted to collect from the third party are extracted and written to a report produced monthly. The report is reviewed monthly using a random sampling of 10% based on the total number of claims reported. Follow-up activity is performed with the third party to ensure that payment has not been made within 30 days of the provider's date of service.

The Agency does not use threshold amounts for any cases other than Tort/Casualty cases to determine whether to seek reimbursement from a liable third party. Threshold amounts vary from \$25.00 to \$100.00 depending on the type of service. Total TPL program expense divided by the number of claims recovered (monthly figures are used) are utilized in this calculation. This limit is determined annually.

A timeframe of six months is allocated for the allowed amount on individual claims to be collected for comparison with the threshold level of each valid third party source's coverage areas. If the cumulative or individual allowed amount total exceeds the threshold level then each applicable third party source is pursued.

Medicare claims are reflected in Arkansas' MMIS as cost avoidance.

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Superseded TN No. 90-22

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